US Sprint Communications Company

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Vice President General Regulatory

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September 1, 1993

William F. Caton Secretary Federal Communications Commission 1919 M Street, N.W., RM 222 Washington, D.C. 20554

> EX PARTE PRESENTATION CC Docket No. 92-77

Dear Mr Caton:

Today, Dick Juhnke and I met with Mark Nadel of the Common Carrier Bureau to discuss billed party preference. Sprint's presentation covered the points on the attached outline.

An original and one copy of this letter are being filed.

Sincerely,

Ten n testa

Mark Nadel

Attachment

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BILLED PARTY PREFERENCE

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- I. NUMBERING FORMAT: IXCs SHOULD BE ABLE TO ISSUE BTN+4 CARDS IN BPP ENVIRONMENT
  - Under BPP, consumers should be able to implement their choice of carrier as conveniently as possible.
  - 0+ dialling, combined with BTN+4 card format, is optimal for this purpose.
  - No carrier group should have a monopoly on this numbering format.
  - 14-digit screening in LIDB should not significantly increase costs of BPP.
    - BellSouth estimated costs at \$720,000.
    - GTE estimated costs at \$2,000,000.
  - Administrative issues (fraud control, etc.) of loading IXC-issued cards in LIDB are workable.

- II. BPP SHOULD HAVE AS WIDE A REACH AS POSSIBLE, INCLUDING IntraLATA CALLS (EXCEPT WHERE STATES HAVE PROHIBITED IntraLATA COMPETITION ALTOGETHER).
  - Maintains simple and uniform dialling plans for consumers.
  - Maintains functionality of value-added features offered by IXCs.
  - Reduces unit costs of BPP by spreading them over a larger volume.

## III. CALL-HANDLING SCENARIOS FOR IntraLATA CALLS

- A. IXC-issued card: Calls handled by IXC, unless state has prohibited intraLATA competition. (In that case, LEC handles call, but IXC bills and collects on behalf of LEC.)
  - "Stripping off" intraLATA calls by LEC violates consumer's desire to use IXC, and hampers availability of IXC's value-added features.
- B. LEC-issued card: Card-issuing LEC handles intraLATA calls within its service region. IXC handles intraLATA calls outside issuing LEC's region (e.g., an intraLATA call in Texas charged to a Bell Atlantic card), with card-issuing LEC billing and collecting on IXC's behalf.
  - There can be no presumption that consumer intends to use out-of-region LEC for out-of-region calls.

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- IV. COST RECOVERY: COSTS INCREMENTAL TO BPP SHOULD BE ASSESSED AS BROADLY AS POSSIBLE, E.G. BY A CHARGE PER PRESUBSCRIBED LINE OR A SEPARATE LOCAL SWITCHING CHARGE ON ALL MOU.
  - BPP benefits all consumers for both card and other operator service calls.
  - Need to avoid creation of an incentive for an IXC to opt out of BPP and thereby increase competitors' cost burden or risk stranded costs for LECs.
  - Optimum method of recovery would be a per-call charge on O+, O- and access-code calls, but attempting to measure access-code calls would pose problems for LECs. Per-line charge is simplest to administer and reflects fact that BPP benefits all subscribers.